May 10, 1960

## Items reported to the President, May 5, 1960

In Korea, our Ambassador recommends caution regarding any further U. S. moves, waiting for clarification of the situation. In particular, we should not press for setting a date for the Presidential elections. Our Ambassador also reports that Acting President Huh is showing a commendable grasp of Korean problems and a constructive outlook toward international relations.

In East Germany, the number of refugees leaving there is running almost double the figure last year, with the highest proportion consisting of youths fleeing to avoid collective farm assignments.

The British and the Cypriots have agreed on the size of bases to be retained by the British and Governor Foote is optimistic that negotiations can be completed soon with independence proclaimed in early June.

In Venezuela, President Betancourt is increasingly showing hostility to Castro -- but probably wants to avoid an open break until Trujillo is ousted.

Moscow has turned down a visit by Ben-Gurion to the USSR, and is apparently trying to exploit the Arab boycott of U. S. shipping.

USSR is apparently finding itself "in the middle" as regards rivalry between Syria and Eraq over development of the Euphrates River, being committed to projects involving both countries.

In Poland, a Stalinist virtually assailed by the "moderates" in 1956 has been given a high party post connected with security, police and the courts. His appointment is interpreted as adoption of a "hard line" against popular discontent.

The Diem regime in South Viet-nam is coming under criticism, with signs of becoming out of touch with the people and adoption of authoritarian methods.

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E: DOH 5/2/8

The Afghans have confirmed discovery of substantial oil deposits in Northern Afghanistan. They are hoping western countries will join in the development, but this seems very unrealistic because of Soviet technical involvement, lack of transportation routes and Soviet resistance.

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